

# Strasburger

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December 26, 2013

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**VIA CMRRR # 71791000164920812398**  
**& REGISTERED ELECTRONIC MAIL**

Mr. Paul Seby  
Seby Larsen LLP  
165 Madison St.  
Denver, CO 80206

**RE: U.S. Oil Recovery Superfund Site, 200 and 400 N. Richey, Pasadena, Harris County, Texas (the "Site")**

Dear Mr. Seby:

We are writing on behalf of the U.S. Oil Recovery Site PRP Group (the "PRP Group"), a group of over 100 companies that have entered into an Administrative Settlement Agreement and Order on Consent for a Time-Critical Removal Action dated August 25, 2011 with the United States Environmental Protection Agency ("EPA") regarding the Site. The EPA placed the Site on the National Priorities List on September 18, 2013. The PRP Group is currently negotiating with the EPA a settlement agreement to perform a Remedial Investigation and Feasibility Study ("RIFS") at the Site. The members of the USOR PRP Group were customers of Klaus Genssler and his entities, including U.S. Oil Recovery. Klaus Genssler ran a waste oil recycling facility at the 400 N. Richey property and in 2009 purchased the 200 N. Richey property. Klaus Genssler abandoned the Site in the summer of 2010.

As you know, the City of Pasadena owned the 200 N. Richey property. The City of Pasadena operated a wastewater treatment facility at this location from 1944 to 2004. The City of Pasadena sold the 200 N. Richey property to one of Klaus Genssler's entities in 2009 for \$545,000.

The EPA sent the City of Pasadena a General Notice Letter, dated March 12, 2013, stating that it believed that the City of Pasadena may be liable under Section 107(a) of CERCLA as a prior owner/operator. The EPA afforded the City of Pasadena an opportunity to negotiate in good faith a settlement agreement to perform a RIFS at the Site. To date, the City of Pasadena has failed to do so.

Additionally, the EPA requested, pursuant to Section 104(e) of CERCLA, that the City of Pasadena provide certain information relating to the Site ("Request for Information").

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The EPA noted that "furnishing false, fictitious or fraudulent statements or representations is subject to criminal penalty under 18 U.S.C. §1001."

The PRP Group has reviewed the City of Pasadena's response to the EPA's Request for Information. In this response, the City of Pasadena repeatedly represents that "[a]t no time during its operations did [the City of Pasadena] receive chemical or industrial wastewater" and that its information gathering was hampered by a lack of documentation.

The PRP Group has reviewed the City of Pasadena records related to the Site from readily available public sources. From that review, a copy of which is attached, we believe the City of Pasadena's response to the EPA's Request for Information was insufficient, if not inaccurate. Further, these records provide overwhelming support for the City of Pasadena's status as a liable party under CERCLA, Section 107(a).

We trust that you will share the enclosed records with your client so that it may have the opportunity to correct or supplement its response to the EPA's Request for Information and to reassess its position regarding participation in the upcoming negotiation regarding the RIFS.

Very truly yours,

Constance Westfall  
Co-Chair, Steering Committee  
U.S. Oil Recovery Site PRP Group

Enclosures

cc: Mary W. Koks, Co-Chair, Steering Committee